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AUTHOR Herrmann, Janet C. Lukomski; Herrmann, Siegfried E.

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ABSTRACT

Fund-raising by public colleges and universities has been important in their founding and operation throughout U.S. history. At first, fund-raising was the responsibility of the president, and later also of trustees and regents. The term "development" came into use in the 1920s, when private donations were solicited to supplement public funding. Fund-raising offices became part of college administrations in the late 1940s, and comprehensive and systematic fund-raising has evolved in more recent years. Little research on public college fund-raising has been conducted, most since the 1960s. Fund-raising methods appear to differ little from those used in other non-profit organizations, particularly in cultivation of donors and donor involvement in the institution. Although the fund-raising professional has traditionally been recruited based on experience in higher education, many skills are transferable from other non-profit settings. Desirable characteristics include integrity, enthusiasm, creativity, and capacity to inspire donor confidence. The public university fund-raiser of the future must be able to build strong team support throughout the institution and work well with the institution's public relations professional, perhaps within one office, for purposes of both planning and administration. (Contains 23 references.) (MSE)

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PUBLIC UNIVERSITY FUND RAISING

By

Janet C. Lukomski Herrmann, Ph.D.

and

Siegfried E. Herrmann, Ph.D.

U.S. DEPARTMENT OF EDUCATION
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Dr. Janet C. Lukomski-Herrmann is President and CEO of Jan Herrmann Associates, a public affairs and fund raising consulting firm in Miami, Florida.

Dr. Siegfried Herrmann is Vice Chancellor for University Advancement, Appalachian State University and Executive Director of the Appalachian State University Foundation, Boone, North Carolina.

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Historical Perspective

Fund raising at colleges and universities has played a major role in the founding and operations of America's earliest institutions of higher education. Frederick Rudolph (1962) states that fund raising in higher education began with and was part of the early colonial colleges in America. Although clergymen were at times utilized as commissioned agents, the presidents of the early institutions were the primary fund raisers (Rudolph, 1962).

Merle Eugene Curti and Roy Nash (1965) also suggest that fund raising in American higher education found its historic roots among the early colonial colleges and universities. These two authors state that "appeals to private individuals for funds were present in the earliest attempts to found colleges in the new world." (Curti & Nash, 1965, pp. 4 & 5)

Scott Cutlip (1965) states that the early colonial college and university fund raising function of the college and university president continued into the 19th century. This focus on the president of the institution as the primary catalyst for fund raising continued into the 1900's. Edwin Duryea (1986) points out that presidents had become the major influences on American higher education and had become virtually one-man fund raising "shows" as was the case of Charles Eliot at Harvard and Daniel Gilman at Johns Hopkins.

Also, after the Civil War, trustees and regents became involved in fund raising (Cutlip, 1965; and Duryea, 1986) as part of their changed responsibilities as members of the governing boards of colleges and universities in America. Moreover, until the end of World War I, fund raising was primarily carried out by presidents and trustees in their personal search for private gifts (Cutlip, 1965).

The term development, previously known as fund raising, was first used in 1924 to designate the development campaign of the University of Chicago. Northwestern University and a few other institutions of higher education then used

the term to describe more than fund raising. By 1978, Development was referred to as an area of educational administration. Development, or the development area is an important vehicle by which to receive monies from philanthropic organizations/or individuals.

The University of Kansas was a pioneer in development when it chartered its University of Kansas Endowment Association. This Foundation is currently the oldest independent foundation designed to assist a state institution through the use of private monies. When the Association was established, it was required by the State Constitution of Kansas that all financial contributions to the University be given to the State Treasurer who in turn invested these assets. Private funds were therefore used to supplement State dollars. By forming the Association to receive gifts, the governing body was able to use the capital as it deemed necessary and proper for the good of the institution.

Fund raising offices did not become an integral part of colleges and universities until the late 1940's and early 1950's (Pray, 1981). Well-known fund raising consultant Robert Sharps (1989, p. 40) states that "until the early 1950's, very few charities had professional staff running fund raising operations." Moreover, Barbara Brittingham and Thomas R. Pezullo (1990) found that by 1970, only about 25% of all institutions of higher education participating in their study reported having a coordinated centralized fund raising office.

The role of fund raising among public universities has significantly changed in recent years. Many public university foundations began as "walk in" operations enabling civic clubs and individuals to create scholarship accounts. More recently public universities have developed more comprehensive and systematic fund raising approaches as professional fund raisers became part of the public university staff. Their efforts went beyond raising funds for student scholarships and focused on program support for a variety of academic university programs. The term "Margin of Excellence" was used by development professionals at many public universities

to emphasize that private funds would provide an extra added margin of quality to academic programs which received their basic funding from state funds. In other words, private funds would make state supported programs even better.

Research on Fund Raising

In order for fund raisers in public higher education to be effective, it would seem that a review of existing research in this area would be most appropriate. However, a comprehensive review of the literature reveals that until the mid 1960's, research on fund raising in higher education in America had received very little attention as a serious subject of study. Early investigations focused on the history of fund raising in America. For example, Cutlip (1965) provided the first detailed, scholarly investigation of fund raising in higher education. (Layton, 1987)

While there are numerous articles on such topics as leadership in fund raising (Seymore, 1966); the role of governing boards in fund raising (Stuhr, 1977; Bruce, 1979; and Livingston, 1984); and, presidential leadership in fund raising (Stuhr, 1977), these writings are not considered scholarly research.

A. Westley Rowland (1955, 1991) also concludes that scholarly research on fund raising in America is very limited and has had a very short history as a serious subject of study. He also states that "the systematic study of institutional advancement (fund raising), employing social science and management-based research methodologies is of comparatively recent origin." (p. iii)

Citing the lack of research knowledge in fund raising in higher education, James Fisher (1985), President Emeritus of the Council for Advancement in Support of Education (CASE), describes fund raising as "an anomaly," (something that has remained unsolved by previous research) in higher education. Fisher (1985) states:

> We must remember today, in most cases, that we are an anomaly in academe. We are accepted at the academic

> conference table largely out of a pressing need of us rather than for what we do as professionals. The key for us will be to remain at the table after 1995. (pp. 11-44)

According to Robert Carbone (1987): "There is extensive literature on professors, deans and presidents, but relatively little has been written about staff members of academic institutions who devote their time and energies to fund raising." (p. 1) Carbone also points out that fund raisers are worthy of study because the financial health of U.S. colleges and universities has recently become more dependent on their effectiveness.

A number of leading fund raising practitioners in higher education have called for more research in their field. For example, Robert Payton (1988), former Vice Chancellor for Development at Washington University and former President of the Exxon Education Foundation, states that "philanthropy is a non-subject in American higher education. It is a blind spot. We in the profession have simply failed to make it a field of intellectual inquiry with an accepted place in American colleges and universities." (p. 4)

Kelly (1991) points out that there are few, if any, studies on basic research or theory building in the area of educational fund raising in a setting. She also mentions that there are numerous and unrelated studies in fund raising which investigates the motivation and attitudes of donors. This tends to give the "impression" that research on educational fund raising is obsessed with motivation and attitudes of donors. Kelly concludes that research on educational fund raising, until now, is almost nonexistent.

Fund Raising Methodologies

Fund raising methodologies used by public university fund raisers appear not to differ significantly from those of other nonprofit organizations. This is particularly the case in the cultivation process of donors in soliciting major gifts.

Kent Dove (1991) who has developed the most comprehensive fund raising guide for nonprofit organizations points out that "philanthropy is the act of expressing love for others ..." (P.114) and consequently "tangible results (in obtaining a major gift) are not usually obtained in a few weeks or months, cultivation demands a sensitive balance of patience and persistence"(p.164). It is, therefore, important that the donor is properly involved in a way that is meaningful to him and/or her. Such donor involvement, whether it is in the form of service as a member of an advisory board or other capacity in many cases is an essential factor in attracting a major gift. Such involvement allows the potential donor to get a future vision of the financial need for the university or a unit of the institution such as an academic department or a school or college.

The involvement of the donor should be done with an understanding of the donor's interests and needs. Therefore, a donor who has a primary interest in music might have an appropriate involvement as a member of the school of music advisory board. The development professional is the one who is in the best position to make such advisory board recommendations. The public university development professional needs to be a people person, a listener, a person who can win the confidence of the potential donor. The phrase "people give to people" may not overstate the important people-person characteristics that the state university fund raising professional should possess, and the public university development professional must be a friend raiser as well as a fund raiser (Mays, 1985).

Traditionally, the recruitment process for a fund raising professional in a public university has focused on the person's background in a university setting. However, it appears that many professional fund raising skills are transferable from one nonprofit setting to another. Personality traits of successful public university fund raisers appear to be similar to those in other nonprofit settings. In addition to people skills, it seems that the public university fund raiser is one with basic human qualities that inspire confidence and trust in others. While some technical skills, such as those related to the use of the computer are important, the successful fund raiser at America's public state university will be an individual with integrity.

To have unimpaired moral and ethical principles is the basis from which this public official must operate. This integrity must be used in determining what is best for the university and the donor. This integrity must guide the individual to make a decision balancing the interest of the donor and the university. The public university development professional must be an individual who holds himself/herself accountable and accepts responsibility for his/her performance.

A sizeable gift usually does not occur until enthusiasm, confidence and trust are present in the donor. Thus, the public university fund raiser must have the characteristics of instilling enthusiasm, trust and confidence. The development officer properly involves the potential donor in a way that a proper relationship between the donor and the university is facilitated by the fund raising professional. Consequently, the gift will come from a person who has now become a member of the university family as an expression of love for this new family.

Mixer (1993) stresses the importance of developing and establishing personalized linkages or bonds between the donor and university through both effective communications and meaningful donor involvement. Lukomski-Hermann (1994) also stresses the importance of effective communication with the donor and suggests that the public university development professional needs to be a sensitive and creative individual who understands the psychological and social needs of the donor.

The public relations and development consulting firm of Gonser Gerber Tinker Stuhr (1996) suggests that university development work is "truly a ministry to fellow human beings" (p.2) and emphasizes that the best and soundest philosophy a fund raiser can embrace is to treat his or her activity as a ministry through an effort which will provide "a three pronged opportunity for personal spiritual benefits" (p.3) to the fund raiser, the donor and the benefactor. Gonser Gerber Tinker Stuhr stresses that the successful fund raiser possesses four spiritual qualities: commitment, genuine enthusiasm, a spirit of unselfishness, and a deep and lasting humility and resilience. (P.3)

Future Trends

The public university fund raiser of the future needs to be one who has the ability to build strong team support with faculty and staff from other units, colleges and schools of the university. Moreover, the relationship between the development professional and the public affairs' staff plays a vital role in the success of fund raising at a public university. A recent research study by Janet Lukomski-Herrmann (1994) suggests that a closer working relationship between the offices of public affairs and development results in increased funds raised by public universities. In order to examine the interaction between the fund raising and public affairs offices at public universities, the researcher utilized a comprehensive three-part structured case study design. One part of this case study examined a 20 year fund raising history as reported to the Council for Aid to Education by the public universities. The study concluded that a structured, systematic interaction between the public affairs office and the fund raising office enhances the fund raising efforts at public universities.

The findings of this study suggest that public universities should consider combining the offices of development and public affairs and the two offices report to a single vice president. Moreover, "it is recommended that institutions review the degree of interactions between their public affairs office and their fund raising office by using an 'interaction audit' for the purpose of enhancing the fund raising effort at the institution (Lukomski-Herrmann, 1994)."

The chief development officer of a public university should possess the capability to assess the political and economic environment at the state and national level, and be able to identify such external factors in these environments that may have a significant impact on the public university that he or she is serving. This analysis should be used in the university's strategic fiscal planning process which provides a basis for university wide development for the future of the

institution. For example, future fluctuations in state funding of public universities and possible future reductions in federal student grant programs should be important considerations in the fiscal planning process for public universities.

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